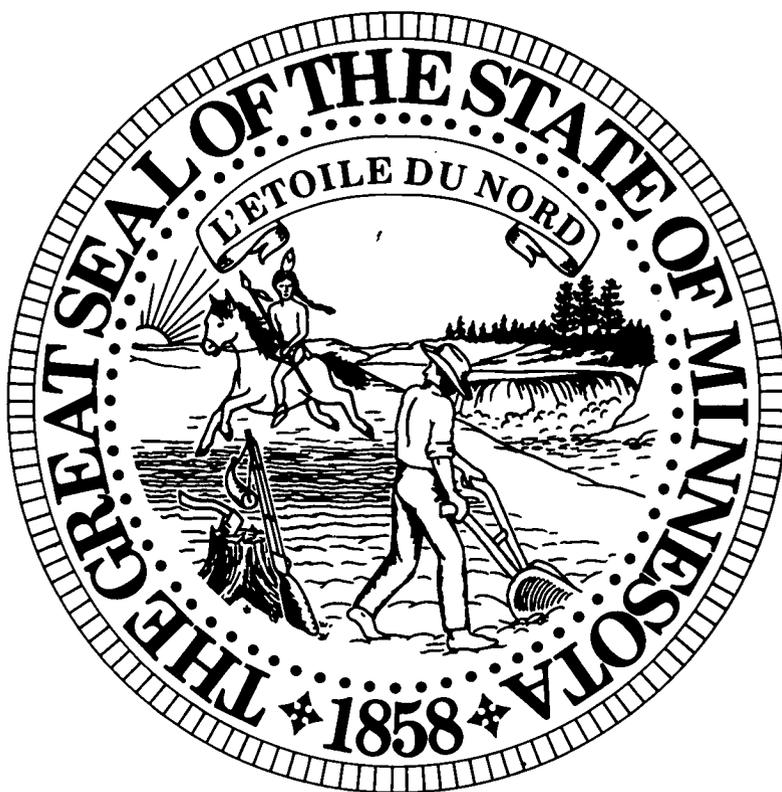


87, January 5

STATE OF MINNESOTA

STATE REGISTER

DEPARTMENT OF ADMINISTRATION—DOCUMENTS DIVISION



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VOLUME 11, NUMBER 27

Pages 1269-1300

STATE REGISTER

Judicial Notice Shall Be Taken of Material Published in the *State Register*

The *State Register* is the official publication of the State of Minnesota, containing executive orders of the governor, proposed and adopted rules of state agencies, official notices to the public, state and non-state public contracts, supreme court and tax court decisions, and a monthly calendar of cases to be heard by the state supreme court.

Volume 11 Printing Schedule and Submission Deadlines

Vol. 11 Issue Number	*Submission deadline for Executive Orders, Adopted Rules and **Proposed Rules	*Submission deadline for State Contract Notices and other **Official Notices	Issue Date
27	Friday 19 December	Friday 26 December	Monday 5 January
28	Friday 26 December	Monday 5 January	Monday 12 January
29	Monday 5 January	Monday 12 January	Monday 19 January
30	Monday 12 January	Monday 19 January	Monday 26 January

*Deadline extensions may be possible at the editor's discretion; however, none will be made beyond the second Wednesday (12 calendar days) preceding the issue date for rules, proposed rules and executive orders, or beyond the Wednesday (5 calendar days) preceding the issue date for official notices. Requests for deadline extensions should be made only in valid emergency situations.

**Notices of public hearings on proposed rules and notices of intent to adopt rules without a public hearing are published in the Proposed Rules section and must be submitted two weeks prior to the issue date.

Instructions for submission of documents may be obtained from the *State Register* editorial offices, 504 Rice Street, St. Paul, Minnesota 55155, (612) 296-4273.

The *State Register* is published by the State of Minnesota, Department of Administration, Documents Division, 117 University Avenue, St. Paul, Minnesota 55155, pursuant to Minn. Stat. § 14.46. Publication is weekly, on Mondays, with an index issue in September. In accordance with expressed legislative intent that the *State Register* be self-supporting, the subscription rate has been established at \$130.00 per year, postpaid to points in the United States. Second class postage paid at St. Paul, Minnesota. Publication Number 326630. (ISSN 0146-7751) No refunds will be made in the event of subscription cancellation. Single issues may be obtained at \$3.50 per copy.

Subscribers who do not receive a copy of an issue should notify the *State Register* Circulation Manager immediately at (612) 296-0931. Copies of back issues may not be available more than two weeks after publication.

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FOR LEGISLATIVE NEWS

Publications containing news and information from the Minnesota Senate and House of Representatives are available free to concerned citizens and the news media. To be placed on the mailing list, write or call the offices listed below:

SENATE

Briefly-Preview—Senate news and committee calendar; published weekly during legislative sessions.

Perspectives—Publication about the Senate.

Session Review—Summarizes actions of the Minnesota Senate.

Contact: Senate Public Information Office
Room 231 State Capitol, St. Paul, MN 55155
(612) 296-0504

HOUSE

Session Weekly—House committees, committee assignments of individual representatives; news on committee meetings and action. House action and bill introductions

This Week—weekly interim bulletin of the House.

Session Summary—Summarizes all bills that both the Minnesota House of Representatives and Minnesota Senate passed during their regular and special sessions.

Contact: House Information Office
Room 175 State Office Building, St. Paul, MN 55155
(612) 296-2146

CONTENTS

MINNESOTA RULES

Amendments & Additions

Issue 27 1272

PROPOSED RULES

Pollution Control Agency

Hazardous Waste Fees 1273

ADOPTED RULES

Higher Education Coordinating Board

Student Educational Loan Fund (SELF) 1276

OFFICIAL NOTICES

Architecture, Engineering, Land Surveying and Landscape Architecture Board

Meeting Notice 1276

Commerce Department

Notice of Activation of Minnesota Joint
Underwriting Association to Insure Specified
Classes of Business and Public Hearing 1276

Energy & Economic Development Department

Comments Sought on the Proposed Final Statement
for the 1987 Small Cities Community
Development Block Grant Program 1278

National Governor's Association Task Force on School Dropouts

National Public Hearing on Dropout Prevention,
13 January 1987, Minnesota State Capitol 1287

Ramsey County Public Works

Notice for Prequalifications for Highway
Reconstruction Preliminary Engineering/Design 1287

Secretary of State

Vacancies on Multi-Member State Agencies 1288

Transportation Department

Uniform Traffic Control Devices Manual Order No.
71787 1288

STATE CONTRACTS

Administration Department: Procurement

Contracts & Requisitions Open for Bid 1290
Request for Proposals for Purchase and
Transportation of Natural Gas to Certain State
Institutions 1291

Iron Range Resources & Rehabilitation Board

Request for Proposals to Develop and Implement
Comprehensive Agency Marketing Strategies 1291

Natural Resources Department

Request for Proposals for a Survey of the
Knowledge and Attitudes of Minnesota Anglers 1293

SUPREME COURT DECISIONS

Decisions Filed Friday 26 December 1986 1293

NOTICE

How to Follow State Agency Rulemaking Action in the *State Register*

State agencies must publish notice of their rulemaking action in the *State Register*. If an agency seeks outside opinion before promulgating new rules or rule amendments, it must publish a **NOTICE OF INTENT TO SOLICIT OUTSIDE OPINION** also.

The PROPOSED RULES section contains:

- Proposed new rules (including notice of hearing and/or notice of intent to adopt rules without a hearing).
- Proposed amendments to rules already in existence in the Minnesota Rules.
- Proposed emergency rules.
- Withdrawal of proposed rules (option; not required).

The ADOPTED RULES section contains:

- Notice of adoption of new rules and rule amendments adopted without change from the previously published proposed rules. (Unchanged adopted rules are not republished in full in the *State Register* unless requested by an agency.)
- Adopted amendments to new rules or rule amendments (adopted changes from the previously published proposed rules).
- Notice of adoption of emergency rules.
- Adopted amendments to emergency rules (changes made since the proposed version was published).
- Extensions of emergency rules beyond their original effective date.

The OFFICIAL NOTICES section includes (but is not limited to):

- Notice of intent to solicit outside opinion before promulgating rules.
- Additional hearings on proposed rules not listed in original proposed rules calendar.

ALL ADOPTED RULES and ADOPTED AMENDMENTS TO EXISTING RULES published in the *State Register* and filed with the Secretary of State before April 8, 1985 are published in the *Minnesota Rules 1985*. ADOPTED RULES and ADOPTED AMENDMENTS TO EXISTING RULES filed after April 8, 1985 are included in a supplement published in Spring, 1986. Proposed and adopted EMERGENCY (formerly called TEMPORARY) RULES appear in the *State Register* but are generally not published in the *Minnesota Rules* due to the short-term nature of their legal effectiveness. Those that are long-term may be published.

The *State Register* publishes partial and cumulative listings of rule in the MINNESOTA RULES AMENDMENTS AND ADDITIONS list on the following schedule:

Issues 1-13, inclusive	Issue 39, cumulative for 1-39
Issues 14-25, inclusive	Issues 40-51, inclusive
Issue 26, cumulative for 1-26	Issue 52, cumulative for 1-52
Issues 27-38, inclusive	

MINNESOTA RULES

Amendments and Additions

NOTE: This listing includes all proposed and adopted rules printed in this issue except emergency rules and errata for this issue. Please see those sections for the appropriate rule numbers.

HIGHER EDUCATION COORDINATING BOARD

4850.0017 (adopted) 1276

POLLUTION CONTROL AGENCY

7046.0031; .0040; .0050; .0070 (proposed) 1273

7046.0030; .0050 s.2 (proposed repealer) 1273

PROPOSED RULES

Pursuant to Minn. Stat. of 1982, §§ 14.22, an agency may propose to adopt, amend, suspend or repeal rules without first holding a public hearing, as long as the agency determines that the rules will be noncontroversial in nature. The agency must first publish a notice of intent to adopt rules without a public hearing, together with the proposed rules, in the *State Register*. The notice must advise the public:

1. that they have 30 days in which to submit comment on the proposed rules;
2. that no public hearing will be held unless 25 or more persons make a written request for a hearing within the 30-day comment period;
3. of the manner in which persons shall request a hearing on the proposed rules; and
4. that the rule may be modified if the modifications are supported by the data and views submitted.

If, during the 30-day comment period, 25 or more persons submit to the agency a written request for a hearing of the proposed rules, the agency must proceed under the provisions of §§ 14.14-14.20, which state that if an agency decides to hold a public hearing, it must publish a notice of intent in the *State Register*.

Pursuant to Minn. Stat. §§ 14.29 and 14.30, agencies may propose emergency rules under certain circumstances. Proposed emergency rules are published in the *State Register* and, for at least 25 days thereafter, interested persons may submit data and views in writing to the proposing agency.

Pollution Control Agency Division of Solid and Hazardous Waste

Proposed Permanent Rules Relating to Hazardous Waste Fees

Notice of Intent to Adopt Rule Amendments Without a Public Hearing

Notice is hereby given that the Minnesota Pollution Control Agency (Agency) intends to adopt without a public hearing amendments to rules governing hazardous waste generator fees, Minn. Rules pts. 7046.0030, 7046.0031, 7046.0040, 7046.0050, and 7046.0070. The amendments will be adopted in accordance with the provisions of Minn. Stat. § 16A.128 (Supp. 1985) and in accordance with Minn. Stat. §§ 14.22-14.28 (1984).

The proposed amendments are authorized by Minn. Stat. § 116.12 (Supp. 1985). The proposed amendments are published below. One free copy of the rules is available on request from the Agency. Please contact:

Laurie Jacobson
Minnesota Pollution Control Agency
520 Lafayette Rd North
St. Paul, MN 55101
Telephone: (612) 296-7227

Interested persons have until 4:30 p.m. on February 4, 1987, to submit comments on the proposed amendments. Comments should be submitted to Laurie Jacobson at the address stated above. The proposed amendments may be modified if the data and views received by the Agency before the end of the comment period warrant modification and the modification does not result in a substantial change in the proposed amendments.

Unless the Agency receives, within the public comment period, written requests from twenty percent of the persons who will be required to pay a fee, a public hearing will not be held. If a public hearing is required, the Agency will proceed according to the provisions of Minn. Stat. §§ 14.131-14.20 (Supp. 1985). If a person desires to request a public hearing, the Agency requests that the person identify the particular provisions objected to, the suggested modifications to the proposed language, and the reasons and data relied on to support the suggested modifications.

Upon adoption of the amendments by the Agency Board, the amendments as proposed, this notice, the Statement of Need and Reasonableness, all written comments received, and the final amendments as adopted will be sent to the Attorney General for review as to form and legality, including the issue of substantial change. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the final amendments as adopted, should submit a written statement of such request to Laurie Jacobson at the address previously stated.

You are hereby advised, pursuant to Minn. Stat. § 14.115 (Supp. 1985), "Small business considerations in rulemaking," that the proposed amendments will affect small businesses because most of the businesses whose fees will be changed or that will be subject

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PROPOSED RULES

to a new fee will be small businesses. However, the amendments will benefit most of these small businesses. Additional information on the impact of the proposed amendments on small businesses is set forth in the Statement of Need and Reasonableness.

Thomas J. Kalitowski
Executive Director

Rules as Proposed (all new material)

7046.0031 NONMETROPOLITAN AREA GENERATOR FEES.

Subpart 1. **Basis of fees.** The agency shall charge nonmetropolitan area generator fees that are based on the annual reports submitted by generators, disclosures, and other appropriate information available to the agency.

Subp. 2. **Small generator exemption.** Nonmetropolitan area generators that generate a total of less than the equivalent of ten gallons or 100 pounds of hazardous waste per year are exempt from the annual fees of this part.

For the purposes of this part, a conversion factor of one gallon of hazardous waste equals ten pounds of hazardous waste will be used.

Subp. 3. **Retroactive fee collection.** Retroactive fees must be paid by the generator for each year in which hazardous waste was generated but not disclosed, for each waste stream for a maximum retroactive period of two calendar years prior to the most current calendar year subject to fees. The retroactive fee is calculated by multiplying the current annual fee and surcharge or the portion of the current annual fee and surcharge subject to retroactive fees, times the number of years, up to a maximum of two years, the generator had generated the waste. Retroactive fees for waste produced for less than two years shall be calculated according to the closest number of years of production.

Subp. 4. **Annual fees.** An annual fee is the sum of the review and maintenance fee, waste stream fees, and waste generation volume fees. Nonmetropolitan area generators shall submit annual fees as follows:

A. A review and maintenance fee must be paid by all nonmetropolitan area generators. The review and maintenance fee is \$30 per calendar year for each identification number issued to the generator pursuant to part 7045.0221.

B. A waste stream fee must be paid by all nonmetropolitan area generators for each waste stream generated over ten gallons or 100 pounds. The waste stream fee is \$20 for each unsewered waste stream per calendar year and \$20 for each sewerage waste stream per calendar year.

C. A waste generation volume fee must be paid by all nonmetropolitan generators based on the amount of unsewered hazardous waste generated and method of waste management or disposal used in the calendar year. The base volume fee is assessed on a per gallon basis for liquid waste streams or a per pound basis for nonliquid waste streams. The base volume is \$0.06 per gallon and \$0.006 per pound for the first 2,000 gallons or pounds produced. The base volume fee for 2,001 to 6,000 gallons or pounds is \$0.045 per gallon and \$0.0045 per pound. The base volume fee for more than 6,000 gallons or pounds is \$0.03 per gallon and \$0.003 per pound. The base volume fee shall be multiplied by the following factors for waste streams managed by the following methods:

Management Method	Factor
Recycle, feedstock, or by-product on-site	0
Recycle, feedstock, or by-product off-site	0.67
Burned for fuel	0.67
Neutralization	0.67
Incineration	0.67
Disposal and other methods	1.00

Any sludges or residues of recycling, burning for fuel, neutralization, or incineration are subject to the base volume fee.

Subp. 5. **Follow-up action fee.** A nonmetropolitan area generator is subject to payment of a follow-up action fee if the generator fails to respond within 30 days of receipt of a registered letter from the director concerning the generator's noncompliance with part 7045.0240 requiring submission of a disclosure, part 7045.0216 requiring submission of an evaluation report, or part 7045.0296 requiring submission of an annual report. The agency shall charge a follow-up action fee only if the director's follow-up action involves sending the generator one or more additional registered letters or causing an authorized representative of the agency to make an inspection for the purpose of obtaining the required information. The fee for each follow-up registered letter, not to include the initial registered letter, is \$25. The fee for each follow-up inspection is \$200.

Subp. 6. **Payment schedule.** A nonmetropolitan area generator shall submit fees within 60 days after receipt of the notice from the director that the fees are due. Fees submitted after the due date are considered late.

A nonmetropolitan area generator shall submit a check for the required amount to the director, made payable to the Minnesota Pollution Control Agency.

Subp. 7. **Failure to submit fees.** If a nonmetropolitan area generator fails to submit the required fees by the due date, the generator shall pay the fees plus a late fee for each 30-day period or fraction of that period that the fee remains unpaid. The late fee is calculated as a percentage of the annual fee as follows: ten percent of the annual fee for each of the first two 30-day periods, and 15 percent of the annual fee for each 30-day period, or fraction of a 30-day period, thereafter.

If a nonmetropolitan area generator fails to submit the requested fees by the due date, the generator becomes liable for reasonable additional expenses the agency incurs in collection of the fee, in addition to the annual fee and any applicable late fees.

Rules as Proposed

7046.0040 GENERATOR SURCHARGE.

Subpart 1. **In general.** All generators in Minnesota are subject to an annual surcharge equal to ~~50~~ 45 percent of the annual fee. Payment must be made as provided in subparts 2 and 3.

Subp. 2. **Nonmetropolitan area generators.** Nonmetropolitan area generators shall pay the surcharge to the director at the time of payment of the annual fee. A nonmetropolitan area generator who fails to pay the annual surcharge is considered delinquent and subject to the late fee penalty provided in part ~~7046.0030~~ 7046.0031, subpart 7.

Subp. 3. [Unchanged.]

7046.0050 GENERATOR FEE EXEMPTIONS.

Subp. 2. [See Repealer.]

Subp. 3. [Unchanged.]

Subp. 4. **Certain nonmetro area generators.** Small quantity nonmetropolitan area generators whose sole hazardous wastes are degreasing or drycleaning solvents reclaimed off-site under a maintenance agreement, lead acid batteries, gasoline tank bottoms, and scrap metal are not subject to annual fees for those calendar years for which they submit accurate disclosures under part 7045.0240, or annual reports by March 1, under part 7045.0296, but rather are subject to a flat annual fee of \$25. For the purposes of this part, a maintenance agreement is a written agreement acceptable to the director between a generator and a transporter and a reclaimer under which waste is removed from the generator's site on a regularly scheduled basis for reclamation by distillation.

7046.0070 APPEAL PROCEDURE.

A generator who believes that the fee requested by the director is in error may appeal the fee levy. Within ten days of receipt of the fee statement from the director, the generator shall provide written notice of the error in fee calculation, the fee the generator has calculated, and the method used by the generator in calculating the fee. If the director finds, upon reviewing the data, that the new data presented by the generator is correct, no penalty fee will be assessed. However, if the director finds that the original calculated fee was correct, the generator shall be assessed any applicable penalty as provided in part ~~7046.0030~~ 7046.0031, subpart 7 from the date of the director's decision regarding the fee adjustment appeal.

REPEALER. Minnesota Rules, parts 7046.0030 and 7046.0050, subpart 2 are repealed.

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ADOPTED RULES

The adoption of a rule becomes effective after the requirements of Minn. Stat. § 14.14-14.28 have been met and five working days after the rule is published in *State Register*, unless a later date is required by statutes or specified in the rule.

If an adopted rule is identical to its proposed form as previously published, a notice of adoption and a citation to its previous *State Register* publication will be printed.

If an adopted rule differs from its proposed form, language which has been deleted will be printed with strikeouts and new language will be underlined. The rule's previous *State Register* publication will be cited.

An emergency rule becomes effective five working days after the approval of the Attorney General as specified in Minn. Stat. § 14.33 and upon the approval of the Revisor of Statutes as specified in § 14.36. Notice of approval by the Attorney General will be published as soon as practicable, and the adopted emergency rule will be published in the manner provided for adopted rules under § 14.18.

Higher Education Coordinating Board

Adopted Permanent Rules Relating to Student Educational Loan Fund (SELF)

The rule proposed and published at *State Register*, Volume 11, Number 12, pages 483-484, September 22, 1986 (11 S.R. 483) is adopted as proposed.

OFFICIAL NOTICES

Pursuant to the provisions of Minnesota Statutes § 14.10, an agency, in preparing proposed rules, may seek information or opinion from sources outside the agency. Notices of intent to solicit outside opinion must be published in the *State Register* and all interested persons afforded the opportunity to submit data or views on the subject, either orally or in writing.

The *State Register* also publishes other official notices of state agencies, notices of meetings, and matters of public interest.

Board of Architecture, Engineering, Land Surveying and Landscape Architecture

Meeting Notice

The Board of Architecture, Engineering, Land Surveying and Landscape Architecture will hold its regular quarterly meeting at 9:30 AM Monday, January 19, 1987 in Room 156, Metro Square Bldg., 7th Street at Robert Street, St. Paul. Future meetings will be held April 20, July 20 and October 19, 1987.

Department of Commerce

Notice of Activation of Minnesota Joint Underwriting Association to Insure Specified Classes of Business and Public Hearing

Notice is hereby given that, pursuant to Minnesota Statutes, section 62I.21, the Minnesota Joint Underwriting Association (MJUA) and the Market Assistance Plan (MAP) are activated to provide assistance to the following classes of business unable to obtain insurance from private insurers:

1. Industrial safety and health consultants;
2. Grain bank bond as required by M.S. 236.02;
3. Lake improvement districts;
4. Auto body and service garages;

5. Electrology clinics.

The MJUA and MAP are activated to provide assistance to the above classes of business for a period of 180 days following publication of this notice. A public hearing will be held, for the purpose of determining whether activation should continue beyond 180 days, in the Large Hearing Room, Metro Square Building on February 24, 1987 at 9:00 A.M. and continuing until all interested persons and groups have had an opportunity to be heard. The hearing shall be governed by Minnesota Statute Section 14.57-14.69 and by Minnesota Rules Parts 1400.5100-1400.8400, (1985). Questions regarding procedure may be directed to Administrative Law Judge, Peter Erickson, 310 4th Avenue South, 4th Floor Summit Bank Building, Minneapolis, MN 55415, telephone (612) 341-7606. The authority for this proceeding is found in Chapter 455 Laws of Minnesota 1986 codified as Chapter 62I of Minnesota Statutes specifically sections 40 and 41 of Chapter 455 codified as Minnesota Statutes 62I.21 and 62I.22. (A copy of those sections follows this notice.)

Prior to the hearing a pre-hearing conference will be held at 1:00 p.m. on February 4, 1987, at the Office of Administrative Hearings, 310 4th Avenue South, 4th Floor Summit Bank Building, Minneapolis, MN 55415.

Chapter 455 Laws of Minnesota 1986 which created the Minnesota Joint Underwriting Association provides for temporary activation for 180 days by the Commissioner of Commerce. To extend the Minnesota Joint Underwriting Association's authority beyond the 180 day period a hearing must be held. Those classes of business for which the Minnesota Joint Underwriting Association was temporarily activated, by this notice and by previously published notices, must prove, at that hearing, that they meet the statutory requirements for coverage by the Minnesota Joint Underwriting Association.

Among those requirements are:

- (1) That members of those classes are unable to obtain insurance through ordinary means;
- (2) That the insurance being sought is required by statute ordinance, or otherwise required by law, and is necessary to earn a livelihood or conduct a business; and
- (3) That the classes of business serve a public purpose.

The classes of business specified in this notice and previously published notices must be shown to meet the statutory requirements or the Minnesota Joint Underwriting Association's authority to provide coverage to them will end after 180 days from the date the notice of activation was published in the *State Register*.

The Department strongly suggests that any persons affected by this hearing or otherwise interested in the proceedings familiarize themselves with the requirements of Chapter 455 and the contested case procedures prior to the hearing, that they take such other steps as are appropriate to protect their interests and that any questions they may have as to how to proceed or how to participate at the hearing be directed to the Administrative Law Judge prior to the hearing.

All interested or affected persons will have an opportunity to participate at the hearing. Questioning of agency representatives or witnesses, and of interested persons making oral statements will be allowed in the manner set forth in the Rules pertaining to contested cases (Minnesota Rules 1400.5100-1400.8400).

Minnesota Statutes chapter 10A requires each lobbyist to register with the State Ethical Practices Board within five days after he or she commences lobbying. A lobbyist is defined in Minnesota Statute Section 10A.01, subdivision 11 as an individual:

- (a) Engaged for pay or other consideration, or authorized by another individual or association to spend money, who spends more than five hours in any month or more than \$250, not including travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials; or
- (b) Who spends more than \$250, not including traveling expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials.

The statute provides certain exceptions. Questions should be directed to the Ethical Practices Board, 41 State Office Building, St. Paul, Minnesota, 55155 telephone (612) 296-5615.

Dated: 22 December 1986

Michael A. Hatch
Commissioner of Commerce

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Department of Energy and Economic Development Community Development Division

Comments Sought on the Proposed Final Statement for the 1987 Small Cities Community Development Block Grant Program

Notice is hereby given that the Department of Energy and Economic Development, Community Development Division, is seeking comments or opinions from sources outside the agency in preparing to submit the Final Statement for the 1987 Small Cities Community Development Block Grant (CDBG) Program. The 1987 Final Statement will be submitted to the U.S. Department of Housing and Urban Development by March 31, 1987.

The State of Minnesota anticipates an allocation of \$17 to \$19 million. The final amount is expected to be announced in February.

The 1987 Final Statement will consist of the Administrative Rules Governing the Community Development Block Grant Program, which are found in Minnesota Rules, Chapter 4300, and were published, as adopted, in the "State Register" on September 17, 1984 (9 S.R. 602-611); a description of the use of funds in the 1986 grant program; an assessment of the use of funds in the 1986 grant program in relation to the community development objectives in the Rules and to the requirements of section 104(G)(3) of the U.S. Housing and Community Development Act, as amended by the U.S. Housing and Community Development Act of 1974, as amended by the U.S. Housing and Urban Rural Recovery Act of 1983 (P.L. 98-181).

The Minnesota Department of Energy and Economic Development, Community Development Division, requests comments or opinions concerning proposed use of grant funds. Interested or affected persons, groups, or units of general purpose local government may submit statements or comments orally or in writing. Written statements should be addressed to:

Louis Jambois
Community Development Division
Minnesota Department of Energy and Economic Development
8th Floor, American Center Building
150 East Kellogg Boulevard
St. Paul, MN 55101

A public hearing will be conducted by the Division of Community Development on January 20, 1987, at 10:00 a.m. in Conference Room 3, 9th floor American Center Building. Oral statements will also be received during regular business hours over the telephone at (612) 297-3172 or in person at the above address until 4:30 p.m. on January 20, 1987.

Final Statement as Proposed

Federal fiscal year 1987 Community Development Block Grant funds made available to the State for distribution to nonentitlement areas will be distributed in accordance with administrative rules adopted in Chapter 4300. These rules are the same as those under which fiscal year 1986 funds were administered. The text of said rules is as follows:

CHAPTER 4300 COMMUNITY BLOCK GRANTS

4300.0100. Definitions

Subp. 1. **Scope.** As used in this chapter, the following terms have the meanings given them:

Subp. 2. **Application Year.** "Application year" means the federal fiscal year beginning October 1st and ending September 31st.

Subp. 3. **Community Development Need.** "Community development need" means a demonstrated deficiency in housing stock, public facilities, economic opportunities, or other services which are necessary for developing or maintaining viable communities.

Subp. 4. **Competitive Grant.** "Competitive grant" means a grant application that is evaluated and ranked in comparison to other applications in the same grant category and includes housing, public facilities and comprehensive applications.

Subp. 5. **Comprehensive Program.** "Comprehensive program" means a combination of at least two interrelated projects which are designed to address community development needs which by their nature require a coordination of housing, public facilities, or economic development activities. A comprehensive program must be designed to benefit a defined geographic area, otherwise known as a program area.

Subp. 6. **Economic Development Project.** "Economic development project" means one or more activities designed to create new employment, maintain existing employment, increase the local tax base, or otherwise increase economic activity in a community.

Subp. 7. **Eligible Activities.** "Eligible activities" means those activities so designated in United States Code, title 42, section 5305 (1981) and as described in Code of Federal Regulations, title 24, sections 570.200-570.207 (1981).

Subp. 8. **General Purpose Local Government.** "General purpose local government" means townships as described in Minnesota Statutes, chapter 365; cities as described in Minnesota Statutes, chapters 410 and 412; and counties.

Subp. 9. **Grant.** "Grant" means an agreement between the state and an eligible recipient through which the state provides funds to carry out specified programs, services, or activities.

Subp. 10. **Grant Closeout.** "Grant closeout" means the process by which the office determines that all applicable administrative actions and all required work have been completed by the grant recipient and the department.

Subp. 11. **Grant Year.** "Grant year" means any period of time during which the United States Department of Housing and Urban Development makes funds from any federal fiscal year available to the state for distribution to local governments under United States Code, title 42, sections 5301-5316 (1981), and includes the period of time during which the office solicits applications and makes grant awards.

Subp. 12. **Infrastructure.** "Infrastructure" means the basic physical systems, structures, and facilities, such as roads, bridges, water, and sewer, which are necessary to support a community.

Subp. 13. **Low- and Moderate-Income.** "Low- and moderate-income" means income which does not exceed 80 percent of the median income for the area, with adjustments for smaller and larger families.

Subp. 14. **Metropolitan City.** "Metropolitan city" means a city over 50,000 population or a central city of a standard metropolitan statistical area that receives entitlement grants under United States Code, title 42, section 5306 (1981) directly from the United States Department of Housing and Urban Development.

Subp. 15. **Nonentitlement Area.** "Nonentitlement area" means an area that is not a metropolitan city or part of an urban county.

Subp. 16. **Office.** "Office" means the office or division in the Department of Energy and Economic Development to which the program is assigned.

Subp. 17. **Per Capita Assessed Valuation.** "Per capita assessed valuation" means the adjusted assessed valuation divided by population.

Subp. 18. **Population.** "Population" means the number of persons who are residents in a county, city, or township as established by the last federal census, by a census taken pursuant to Minn. Stat. § 275.53, subd. 2, by a population estimate made by the Metropolitan Council, or by the population estimate of the state demographer made under Minn. Stat. § 4.12, subd. 7, clause (10), whichever is most recent as to the stated date of count or estimate, up to and including the most recent July 1.

Subp. 19. **Poverty Persons.** "Poverty persons" means individuals or families whose incomes are below the poverty level as determined by the most current data available from the United States Department of Commerce, taking into account variations in cost of living for the area affected.

Subp. 20. **Program.** "Program" means the community development block grant program for nonentitlement areas.

Subp. 21. **Program Area.** "Program area" means a defined geographic area within which an applicant has determined that, based on community plans or other studies, there exists a need for community development activities. A program area may be a neighborhood in a community or an entire community.

Subp. 22. **Program Income.** "Program income" means gross income earned by the grant recipient from grant-supported activities, excluding interest earned on advances.

Subp. 23. **Project.** "Project" means one or more activities designed to meet a specific community development need.

Subp. 24. **Regional or Community Development Plans.** "Regional or community development plans" means written documents, resolutions, or statements which describe goals, policies, or strategies for the physical, social, or economic development of a neighborhood, community, or substate area. Regional or community development plans include comprehensive plans and elements of comprehensive plans, including land use plans, which have been approved by the governing boards of townships, counties, or cities, and also include regional development plans adopted under Minn. Stat. § 462.281, where applicable.

Subp. 25. **Slums and Blight.** "Slums and blight" means areas or neighborhoods which are characterized by conditions used to describe deteriorated areas in Minn. Stat. § 462.421 or which are characterized by the conditions used to describe redevelopment districts in Minn. Stat. § 273.73, subd. 10.

Subp. 26. **Single-purpose Project.** "Single-purpose project" means one or more activities designed to meet a specific housing or public facilities community development need.

Subp. 27. **Urban County.** "Urban county" means a county which is located in a metropolitan area and is entitled to receive grants under United States Code, title 42, section 5306 (1981), directly from the United States Department of Housing and Urban Development.

Statutory Authority: MS § 116K.04; 116K.06; 116K.07

History: 8 SR 1263

OFFICIAL NOTICES

4300.0200. Purpose

This chapter gives procedures for evaluating applications for grants and awarding them to eligible applicants by the Department of Energy and Economic Development under United States Code, title 42, sections 5301-5136 (1981), and regulations adopted in Code of Federal Regulations, title 24, part 570.

Statutory Authority: MS § 116K.04; 116K.06; 116K.07

History: 8 SR 1263.

4300.0300. Objective of the Program

The primary objective of this program is to develop viable urban communities by providing decent housing and a suitable living environment and by expanding economic opportunities, principally for persons of low- and moderate-income. Activities funded under this program shall not benefit moderate-income persons to the exclusion of low-income persons. All funded activities must be designed to:

A. Benefit low- and moderate-income persons;

B. Prevent or eliminate slums and blight; or

C. Alleviate urgent community development needs caused by existing conditions which pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet those needs.

4300.0400. Application of Federal Law

If it is determined that any provisions of parts 4300.0100 to 4300.3200 are inconsistent with federal law controls to the extent necessary to eliminate the conflict.

Statutory Authority: MS § 116K.06; 116K.07

GRANT APPLICATION, EVALUATION, AND DETERMINATION

4300.1100. Types of Competitive Grants Available

Subp. 1. **Single-purpose Grants.** The office shall approve single-purpose grants for funding from a single grant year for single-purpose projects. The office shall place single-purpose grant applications in one of the following categories for purposes of evaluation:

A. Housing projects which include one or more activities designed to increase the supply or quality of dwellings suited to the occupancy of individuals and families; or

B. Public facilities projects which include one or more activities designed to acquire, construct, reconstruct, or install buildings or infrastructure which serve a neighborhood area or community.

Subp. 2. **Comprehensive Grants.** The office shall approve comprehensive grants for two or more projects which constitute a comprehensive program. Comprehensive grants shall be approved for funding from one, two, or three grant years. In the case of grants approved for funding from more than one grant year, the office shall make funds available to the grant recipient in the second or third year only after the recipient submits an approved application. Approval shall be subject to a finding by the office that the grant recipient has made normal progress and is in compliance with this chapter.

Subp. 3. **Previous Grant Commitments.** The provisions of Subp. 2 apply to three-year comprehensive grant commitments made by the United States Department of Housing and Urban Development in 1981 under United States Code, title 42, section 5306 (1980).

Statutory Authority: MS § 116K.04; 116K.06; 116K.07

History: 8 SR 1263

4300.1101. Economic Development Grants, Noncompetitive

The office shall approve grants for economic development projects for funding throughout a single application year, or until the funds reserved have been exhausted.

Statutory Authority: MS § 116K.04; 116K.06; 116K.07

History: 8 SR 1263

4300.1200. Application Process and Requirements

Subp. 1. **Grant Application Manual.** The office shall prepare a manual for distribution to eligible applicants no later than 120 days before the application closing date. The manual must instruct applicants in the preparation of applications and describe the method by which the office will evaluate and rank applications. If this chapter is not adopted before September 15, 1982, the 120-day period is waived for the 1983 grant year but the office shall make the manual available no later 60 days before the application closing date.

Subp. 2. Eligibility Requirements. Any unit of general purpose local government, including cities, counties, and townships located in a nonentitlement area or electing exclusion from an urban county under United States Code, title 42, section 5302 (1981), may apply for a grant. An eligible applicant may apply on behalf of other eligible applicants. Applications submitted on behalf of other applicants must be approved by the governing body of all local governments party to the application. An eligible applicant may apply for only one competitive grant per grant year and no eligible applicant shall be included in more than one competitive application. An eligible applicant may apply for one economic development grant in addition to a competitive grant each application year.

Subp. 3. Disqualification of Applicants. Applications from otherwise eligible applicants shall be disqualified where for previously awarded grants under these rules or awarded by the Department of Housing and Urban Development under United States Code, title 42, section 5306 (1981), it is determined by the office that any of the following conditions exist:

A. There are outstanding audit findings on previous community development grants and the grantee has not objected on a reasonable basis to the findings or demonstrated a willingness to resolve the findings;

B. Previously approved projects have passed scheduled dates for grant closeout and the grantee's ability to complete the project in an expeditious manner is in question; or

C. The applicant has not made scheduled progress on previously approved projects and the grantee's ability to complete the project in an expeditious manner is in question.

Subp. 4. Contents of Application. The contents of the application must be consistent with the informational requirements of this chapter and must be on a form prescribed by the office. The application must be accompanied by:

A. An assurance, signed by the chief elected official, that the applicant will comply with all applicable state and federal requirements;

B. An assurance signed by the chief elected official certifying that at least one public hearing was held at least ten days but not more than 60 days before submitting the application; and

C. A copy of a resolution passed by the governing body approving the application and authorizing execution of the grant agreement if funds are made available.

The office may request additional information from the applicant if it is necessary to clarify and evaluate the application.

Subp. 5. Time Limit for Submitting Applications. Competitive applications must be received in the office or postmarked by the closing date. The office shall give notice of the period during which applications will be accepted. The notice must be published in the *State Register* at least 120 days before the closing date. Economic development project applications may be submitted at any time during the grant year.

Subp. 6. Regional Review. The applicant must submit a complete copy of the application to the Regional Development Commission, where such a commission exists, or the Metropolitan Council, where it has jurisdiction, for review and comment in accordance with Minn. Stat. § 462.391, subd. 3, or Minn. Stat. § 473.171, respectively.

Statutory Authority: MS § 116K.04; 116K.06; 116k.07

History: 8 SR 1263

4300.1300. Evaluation of Applications

All applications shall be evaluated by the office. A fixed amount of points shall be established as the maximum score attainable by any application. Points shall be made available within each class of rating criteria in accordance with the percentages and fractions indicated in 4300.1400 to 4300.1900. Economic development project applications must meet threshold criteria in order to be evaluated.

Statutory Authority: MS § 116K.04; 116k.04; 116K.06; 116K.07

History: 8 SR 1263

4300.1400. Comparison of all Competitive Applications, General Competition

Subp. 1. Points Available. Thirty percent of the total available points shall be awarded by the office based on a general competition involving a comparison of all applications.

Subp. 2. Evaluation of Community Need. Two-thirds of the points in the general competition shall be awarded based on evaluation of community need, which shall include:

A. The number of poverty persons in the area under the applicant's jurisdiction;

B. The percentage of persons resident in the area under the applicant's jurisdiction who are poverty persons; and

C. The per capita assessed valuation of the area under the jurisdiction of the applicant, such that points are awarded in inverse relationship to applicants' per capita assessed valuation.

OFFICIAL NOTICES

Subp. 3. **Evaluation of Other Factors.** One-third of the points in the general competition shall be awarded based on evaluation of:

- A. The extent to which the proposed activities are compatible with regional or community development plans; and
- B. Adequacy of the applicant's management and financial plan.

Statutory Authority: MS § 116K.04; 116K.06; 116K.07

History: 8 SR 1263

4300.1500. Comparison of Competitive Applications Within Categories

After completing the general competition described in 4300.1400, the office shall place each application in the appropriate grant category in accordance with part 4300.1100. The categories are housing projects, public facilities projects, economic development projects, and comprehensive programs. Seventy percent of the total points available for each application shall be awarded based on a comparison of the applications within each of the categories, as further described in parts 4300.1600 to 4300.1900.

Statutory Authority: MS § 116K.04; 116K.06; 116K.07

History: 8 SR 1263

4300.1600. Evaluation of Housing Projects

Subp. 1. **Project Need.** Three-sevenths of the points available in the housing category competition shall be awarded by the office based on evaluation of the need for improvements or additions to the housing stock serving low- and moderate-income persons as evidenced by:

- A. Housing units which are occupied by low- and moderate-income persons and are either substandard or pose a threat to the health or safety of the occupants;
- B. An inadequate supply of affordable housing for low- or moderate-income persons; or
- C. Other documented conditions which give evidence of the need for improvements or additions to the housing stock serving low- and moderate-income persons.

Subp. 2. **Project Impact.** Three-sevenths of the points available in the housing category competition shall be awarded by the office based on evaluation of the extent to which the proposed activities will eliminate or reduce the need for improvements or additions to the housing stock serving low- or moderate-income persons.

Subp. 3. **Project Cost-effectiveness.** One-seventh of the points available in the housing category competition shall be awarded by the office based on:

- A. Evaluation of the extent to which the proposed activities will make cost effective and efficient use of grant funds including coordination with, and use of, funds from other public and private sources; and
- B. Evidence that the cost of the proposed activities per benefitting household is reasonable.

Statutory Authority: MS § 116K.06; 116K.07

4300.1700. Evaluation of Public Facilities Projects

Subp. 1. **Project Need.** Three-sevenths of the points available in the public facilities category competition shall be awarded by the office based on evaluation of the extent to which the proposed activities are necessary to improve provision of public services to low- and moderate-income persons or to eliminate an urgent threat to public health or safety.

Subp. 2. **Project Impact.** Three-sevenths of the points available in the public facilities category competition shall be awarded by the office based on evaluation of the extent to which the proposed activities will reduce or eliminate the need identified under Subp. 1, and, in the case of activities designed to improve the provision of public services to low- and moderate-income persons, an evaluation of the extent to which the proposed activities directly benefit low- and moderate-income persons.

Subp. 3. **Project Cost-effectiveness.** One-seventh of the points available in the public facilities category competition shall be awarded by the office based on evaluation of the extent to which the proposed activities will make cost effective and efficient use of grant funds, including consideration of:

- A. The extent to which the requested grant funds are necessary to finance all or a portion of the costs;
- B. Evidence that the cost of the proposed activities per benefitting household or person is reasonable; and
- C. The extent to which the project benefits existing, rather than future, population, except in cases where the proposed activities are necessary due to expected development or growth which is beyond the applicant's control.

Statutory Authority: MS § 116K.06; 116K.07

4300.1900. Evaluation of Comprehensive Program Projects

Subp. 1. **Program Need.** Three-sevenths of the points available in the comprehensive program category competition shall be awarded by the office based on evaluation of need for the proposed comprehensive program, including consideration of:

- A. The number of low- and moderate-income persons in the program area;
- B. The percentage of residents in the program area which are of low- or moderate-income; and

C. The need for the proposed comprehensive program as evidenced by at least two of the following: the need for improvements or additions to the housing stock serving low- and moderate-income persons, the need for new or improved public facilities in the program area, or employment problems in the program area.

Subp. 2. **Program Impact.** Three-sevenths of the points available in the comprehensive program category competition shall be awarded by the office based on evaluation of the extent to which the proposed comprehensive program will eliminate or reduce the need identified under Subp. 1, and the extent to which the proposed program will improve the long-term physical or economic condition of the program area and its residents.

Subp. 3. **Program Cost-effectiveness.** One-seventh of the points available in the comprehensive program category competition shall be based on evaluation of the extent to which the proposed comprehensive program will make cost effective and efficient use of grant funds, including consideration of coordination with, and use of, funds from other public and private sources.

Statutory Authority: MS § 116K.06; 116K.07

4300.1901. Evaluation of Economic Development Projects

Subp. 1. **In General.** Evaluation of economic development applications consists of eligibility threshold screening and project review. Applications must meet the eligibility thresholds in order to be referred for project review. Applications that fail to meet eligibility thresholds may be revised and resubmitted.

Subp. 2. **Federal and State Eligibility Thresholds.** Applicants shall provide a description of the ways that activities address one of the federal objectives described in Part 4300.0300. Each activity proposed for funding must be eligible under current federal regulations.

Applicants shall describe how they will meet two of the three following thresholds based on state economic development objectives:

- A. Creation or retention of permanent private sector jobs;
- B. Stimulation or leverage of private investment; or
- C. Increase in local tax base.

Subp. 3. **Project Review.** Applications that meet eligibility thresholds will be awarded points by the office based on evaluation of the two rating categories: project design and financial feasibility. Applications must attain at least two-thirds of the total available points for economic development to be recommended for funding. Applications must score at least half of the points available in each of the two rating categories.

Two-thirds of the available points will be awarded based on an evaluation of project quality including an assessment of need, impact, and the capacity of the applicant to complete the project in a timely manner. Consideration of need for an economic development project must be based on deficiencies in employment opportunities and circumstances contributing to economic vulnerability and distress. Consideration of impact must be based on the extent to which the project reduces or eliminates the need. Consideration of capacity must be based on demonstration of administrative capability, realistic implementation schedules, and the ability to conform to state and federal requirements.

One-third of the available points will be awarded based on an evaluation of the effective use of program funds to induce economic development. Consideration of financial feasibility must include investment analysis, commitment of other funds, and other factors relating to the type of program assistance requested.

Subp. 4. **Funding Recommendations.** Applications that attain at least two-thirds of the available points will be recommended to the commissioner for funding. Applications not recommended for funding may be revised and resubmitted.

Statutory Authority: MS § 116K.04; 116K.06; 116K.07

History: 8 SR 1263

4300.2000. Determination of Grant Awards

Subp. 1. **Funds Available for Grants.** The amount of funds available for grants shall be equal to the total allocation of federal funds made available to the State under United States Code, title 42, section 5306 (1981), after subtracting an amount for costs available by the office for administration of the program, as allowed by that law. The office is not liable for any grants under this chapter until funds are received from the United States Department of Housing and Urban Development.

OFFICIAL NOTICES

Subp. 2. **Division of Funds.** Of the funds available for grants in each grant year, 30 percent shall be reserved by the office to fund single-purpose grants, 15 percent shall be reserved for economic development grants, and 55 percent shall be reserved by the office to fund comprehensive grants, including the second and third years of comprehensive grants approved for funding under Parts 4300.1100 and 4300.1900. However, the office may modify the proportions of funds available for single-purpose and comprehensive grants if, after review of all applications, it determines that there is a shortage of fundable applications in either category.

At least 30 percent of the funds made available for single-purpose grants shall be awarded for applications in each of the two categories: housing and public facilities. However, no application with a rating below the median score for its category shall be funded by the office solely for the purpose of meeting this requirement.

If there are unawarded economic development funds available at the end of the application year, two-thirds of the remaining funds will be available for competitive single-purpose projects and one-third will be available for economic development projects during the next application year.

Subp. 3. **Funding List.** Within each grant category, a list of applications shall be prepared in rank order of the scores received after evaluation pursuant to Parts 4300.1300 to 4300.1900. Based on these lists, and subject to the availability of funds within each category, applications with the highest rank shall be recommended to the commissioner for funding. In the case of a tie between any two applications within any category, the application with the higher score in the general competition shall receive the higher ranking on the list.

Subp. 4. **Approval by Commissioner.** The list of applications recommended for funding, including recommended grant awards, shall be submitted by the office to the commissioner for approval. A decision by the commissioner not to approve any application recommended for funding must be made in writing to the applicant, giving reasons for disapproval.

Subp. 5. **Reduction in Amount Requested.** The office may recommend an application for funding in an amount less than requested if, in the opinion of the office, the amount requested is more than is necessary to meet the applicant's need. If the amount of the grant is reduced, the reasons for the reduction shall be given to the applicant.

Subp. 6. **Grant Ceilings.** No competitive single-purpose grant may be approved for an amount over \$600,000. No comprehensive grant may be approved for an amount over \$700,000 from any single grant year or for more than a total of \$1,400,000 over three grant years. No economic development grant may be approved for over \$500,000.

Statutory Authority: MS § 116K.04; 116K.06; 116K.07

History: 8 SR 1263

CONTRACTS AND RECORDS

4300.3100. Grant Agreements

Subp. 1. **Grant Contract Required.** A grant contract shall be offered to each applicant whose application is approved for funding. The contract must be signed by a person authorized to commit the applicant to legally binding agreements and to execute the contract.

Subp. 2. **Contents of Grant Contract.** The grant contract must include:

A. A work program which indicates completion dates for major parts of the project and a projected budget supporting the work program;

B. A description of the manner in which payments will be made to grant recipients with the condition that five percent of the grant award will not be paid until successful completion of all activities in the work program; and

C. Assurances that the grant recipient will comply with all applicable state and federal laws, including at least the federal laws or regulations for which the state is made responsible for enforcement in Code of Federal Regulations, title 24, sections 570.495 and 570.496.

Subp. 3. **Use of Program Income.** Income from sources such as reimbursements to and interest from a grant recipient's loan program, proceeds from disposition of real property, and proceeds from special assessments must be used for project-related costs within 12 months from the time it is earned. The office shall reduce future grant payments by the amount of any unobligated income which an applicant has and shall take whatever additional action is necessary to recover any remaining amounts owed.

Subp. 4. **Grant Account Required.** Grant recipients must establish and maintain separate accounts for grant funds. In accordance with Code of Federal Regulations, title 24, section 570.494, clause 4, interest earned by grant recipients on grant funds before disbursement is not program income, and it must be returned to the United States Treasury.

Subp. 5. **Restrictions on Use of Funds.** No grant funds shall be used to finance activities not included in the grant agreement. If it is determined that an improper use of funds has occurred, the office will take whatever action is necessary to recover improperly spent funds.

Subp. 6. **Suspension of Payments.** The office shall suspend payments of funds to grant recipients which are not in compliance

with applicable state and federal laws, rules, and regulations. Grant recipients must return funds which are improperly expended.

Subp. 7. **Amendments to the Agreement.** Amendments to the grant agreement must be in writing.

Statutory Authority: MS § 116K.06; 116K.07

4300.3200. Recordkeeping and Monitoring

Subp. 1. **Financial Records.** Grant recipients shall maintain financial records which identify the source and application of funds for grant-supported activities. These records must contain information about grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, income, and other information required by the office under the responsibilities it assumes under Code of Federal Regulations, title 24, section 570.497, clause b. Financial records, supporting documents, statistical records, and all other reports pertinent to a grant must be retained by the grant recipient for three years from the date of submitting the final financial report. No such records or documents may be disposed of while audits, claims, or litigations involving the records are in progress.

Subp. 2. **Audits.** Grant recipients must arrange for and pay for an audit before grant closeout. Audits will usually be done annually, but no less frequently than every two years. In the case of two and three year comprehensive programs, the office shall require an audit after two years; costs incurred pursuant to this requirement are eligible under this program.

Subp. 3. **Financial Status Reports.** Grant recipients shall file financial status reports at the close of each reporting period as designated by the office and shall file a final financial report before grant closeout. Financial status reports must be on forms prescribed by the office. The office may not require these reports more often than quarterly.

Subp. 4. **Performance Report.** Grant recipients shall also file performance reports at the close of each reporting period as designated by the office and shall file a final performance report before grant closeout. Performance reports shall be on forms prescribed by the office. The office may not require these reports more often than quarterly.

Subp. 5. **Access to Records.** Representative of the office, either the State Auditor or Legislative Auditor as is appropriate, and federal auditors shall have access to all books, records, accounts, files, and other papers, things, or property belonging to grant recipients which are related to the administration of grants and necessary for audits and monitoring compliance with Parts 4300.0100 to 4300.3200.

Statutory Authority: MS § 116K.06; 116K.07

Proposed Distribution of Funds

The exact amount of Federal FY 1987 CDBG funds for use by the Small Cities Development Program is currently unknown. Under the administrative rules for this program, 15 percent, will be reserved for economic development grants; 30 percent, will be reserved for single-purpose housing or public facilities grants; and 55 percent, will be reserved for comprehensive grants. Two percent of the available funds will be used by DEED for administration of the grant program.

Proposed Use of Funds for Activities That Will Benefit Persons of Low- and Moderate-Income

The purpose of the Small Cities Development Program is to develop viable urban communities by providing decent housing and a suitable living environment and by expanding economic opportunities, principally for persons of low and moderate income. Activities funded under this program shall not benefit moderate income persons to the exclusion of low-income persons. All funded activities must be designed to:

- a) Benefit low- and moderate-income persons;
- b) Prevent or eliminate slums and blight; or
- c) Alleviate urgent community development needs caused by existing conditions which pose a serious and immediate threat to the health or welfare of the community, where other financial resources are not available to meet those needs.

Under the Housing and Community Development Act of 1974, as amended, at least 51 percent of the funds must be used for activities that benefit low and moderate income persons. The Department of Energy and Economic Development, Community Development Division, estimates that up to 70 percent of the funds will be used to benefit persons of low and moderate income.

Recaptured and Reallocated Funds

If FY'84 through FY'86 competitive grant funds are returned to the Minnesota Department of Energy and Economic Development, Community Development Division, following audit resolution or project closeout, the first priority for reuse of the funds will be to finance emergency, urgent need projects. Applications for emergency urgent need could be submitted at any time during the year. Following is the criteria under which emergency urgent-need projects could be funded:

- a) The problem poses a serious and immediate threat to the health or welfare of the community.
- b) The problem is of recent origin or has recently become urgent. To qualify for emergency, urgent-need funds, recent is

OFFICIAL NOTICES

defined to mean that a problem has to become urgent no earlier than 45 days before the last competitive application deadline.

c) The applicant can document inability to finance the project on its own and other resources to finance the project are not available.

d) The project would have to score well enough in the rating system to have received a grant, had an application been submitted during the last competitive cycle.

A balance of recaptured competitive FY'84 through FY'86 funds will be carried forward only until the point at which competitive grant awards are made. Any balance of recaptured or reallocated funds that exists at the time grants are awarded for the annual competitive grant cycle will be used to finance competitive projects.

Recaptured and reallocated FY'84 through FY'86 Economic Development Set-aside funds will be reserved for FY'87 economic development projects. Up to fifteen percent of FY'83 recaptured or reallocated Jobs Bill and Small Cities funds will be reserved for economic development projects. At least eighty-five percent of FY'83 Jobs Bill and Small Cities funds will be used in the same manner as that described for FY'84-86 competitive funds.

Distribution of Program Income

Any program income which is derived from the use of federal CDBG funds, is retained by the recipient communities. Thus, the state will not have the use of program income for distribution in FY'87.

Description of the Use of Funds in the 1986 Small Cities Community Development Block Grant Program

For the 1986 grant program \$17,788,920 in federal funds was available for grants to eligible applicants for the Small Cities Development Program. Under the administrative rules for the SCDP, economic development applications are accepted on a year-round basis and competitive single-purpose and comprehensive applications had an application deadline of January 31, 1986. The rules for the program established the availability of 15 percent of the funds for economic development, 30 percent of the funds for single-purpose projects, and 55 percent of the funds for comprehensive programs.

Upon completion of the competitive review and ranking process, 32 awards were made. The first round of grants was awarded on May 30, 1986. On that date, all available FY'86 Small Cities competitive funds were exhausted. Following the congressional overturn of a presidential deferral, four additional projects were funded and four projects that were partially funded on May 30, 1986, received additional funds. These awards were made on August 13, 1986. Thus, the total number of FY'86 competitive awards is now 36. Of all funds available in FY'86, 55% were awarded for comprehensive projects, 30% were awarded for single-purpose projects, and 15% were reserved for economic development projects. The Department of Energy and Economic Development concludes that funds were awarded in accordance with the State's administrative rules for the program.

Assessment of the Relationship of 1986 Funds to State and Federal Objectives

As in 1983, 1984, and 1985, for the 1986 grant program, the Minnesota Department of Energy and Economic Development, Community Development Division, adopted the national objectives for the Community Development Block Grant program. Under these objectives, all funded activities must be designed to:

- a) Benefit low- and moderate-income persons;
- b) Prevent or eliminate slums or blight; or

c) Alleviate urgent community development needs caused by existing conditions, which pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet those needs.

Based on a total FY'86 grant award of \$18,254,000, at least 51%, or \$9,309,540, must be awarded for activities designed to benefit persons of low- and moderate-income. To date, with an unobligated FY'86 balance of just over \$1 million, DEED has already approved more than \$13 million for activities designed to benefit low- and moderate-income persons. Thus, even with a balance, DEED has already awarded well over 70 percent of our total FY'86 grant award for activities which benefit low- and moderate-income persons. The remainder of the funds currently awarded for grants has been awarded for activities designed to prevent or eliminate slums and blight. No FY'86 funds have been awarded for activities designed to alleviate urgent community development needs.

The funds budgeted for planning and administration include both the funds retained by the Minnesota Department of Energy and Economic Development for administration of the program and funds awarded to units of general local government for planning and administration of their grants. No more than 20 percent of the block grant can be used for planning and administration.

To date, for the 1986 grant program, the Minnesota Department of Energy and Economic Development, Community Development Division, and the 1986 grant recipients budgeted slightly less than \$1.0 million for planning and administration. These funds amount to just over five percent of the block grant, well below the 20.0 percent limit.

State objectives for the Small Cities Development Program apply to the economic development set aside only. Each grant awarded must meet two of the three state objectives listed below:

- a) Creation or retention of permanent private sector jobs, with a minimum threshold of one job created or retained for each \$20,000 of grant funds;
- b) Leverage of private investment, with a minimum threshold of one dollar private funds for each grant dollar requested; and
- c) Increase the local tax base, with a minimum threshold of an estimated 50 percent increase in the value of the parcel involved.

Of the federal economic development set aside funds awarded to date, all met the job creation or retention objective and also the private leverage threshold. Eight grants will leverage a total private investment of \$29 million (approximately 18 to 1 ratio) and create or retain 513 jobs, at an average grant cost of \$3,120 per job. Three grants met the tax base threshold. To meet the federal objective benefit to low and moderate income persons, at least 51 percent of the jobs proposed for each project had to be available to low and moderate income persons.

Based upon analysis of the 1986 Small Cities Development Program, the Minnesota Department of Energy and Economic Development, Community Development Division, concludes that the 1986 grant program fully meets state and national objectives for award of funds.

National Governor's Association Task Force on School Dropouts

National Public Hearing on Dropout Prevention, Minnesota State Capitol, 1/13/87

The purpose of this hearing is to provide participating Governors with expert testimony and the opportunity for dialogue with researchers, policymakers, practitioners, and advocacy groups concerned with resolution of the dropout problem. The testimony will become the basis for the Task Force's development of a model strategic action plan that will include both policy and program recommendations for action at the state level. Participating Governors seek information especially from education, employment and training, social services, juvenile justice, business and industry, and public policy and legislative communities on issues related to dropout prevention.

The hearing will be held on January 13, 1987 at the Minnesota State Capitol in St. Paul. For more information, contact Toyse Kyle or June Alexander of the Minnesota-based project staff at (612) 296-2358. Persons submitting written testimony should submit a copy by close of business Wednesday, January 21, 1987 to Ms. Toyse Kyle at 986 Capitol Square Building, 550 Cedar Street, St. Paul, MN, 55101.

Ramsey County Public Works

Request for Prequalifications Statements for Highway Reconstruction Preliminary Engineering/Design

The Ramsey County Department of Public Works, in cooperation with the City of Moundsview, St. Paul Water Utility, and the Office of State Aid, Minnesota Department of Transportation, requires the services of a qualified consultant for preliminary engineering and preparation of detailed plans for the reconstruction of County State Aid Highway 3 (County Road I), located in the City of Moundsview between T.H. 10 and I-35W in Ramsey County, Minnesota.

The services required are the preparation of field surveys, detailed design plans, and specifications for CSAH contract award. The consultant will also be required to conduct public meetings and secure approvals from the municipality, St. Paul Water Utility, and the Minnesota Department of Transportation Office of State Aid.

Consultants should submit their prequalification brochure and/or experience resume, including federal forms 254 and 255, by January 16, 1987. The brochure and resume shall be limited to 20 pages. This is not a request for proposal. The prequalifications will be used by the County as a mechanism for selecting which firms will be invited to prepare proposals for the construction plans preparation work. The County anticipates requesting formal proposal and interviews from five firms. The consultants will be evaluated based on the interviews and proposals. The selection committee will make a recommendation to the Ramsey County Board by February 16, 1987.

Please send your response to Kenneth E. Weltzin, County Engineer, Ramsey County Department of Public Works, 350 St. Peter Street, St. Paul, Minnesota, 55102.

Office of the Secretary of State

Notice of Vacancies in Multi-Member State Agencies

Notice is hereby given to the public that vacancies have occurred in multi-member state agencies, pursuant to Minn. Stat. § 15.0597, subd. 4. Application forms may be obtained at the Office of the Secretary of State, 180 State Office Building, St. Paul 55155-1299; (612) 296-2805. Application deadline is January 27, 1987.

MINNESOTA RACING COMMISSION has 1 vacancy open for a member. The commission licenses persons to operate race-tracks, conduct horse racing, conduct parimutual wagering on horse racing, enforces and collects all applicable taxes and license fees, and establishes a Minnesota breeders' fund. Prescribed qualifications include: Minnesota resident for 5 years before appointment, no more than five members of the same political party, appointees must file a bond of \$100,000. Members are appointed by the Governor and confirmed by the Senate. Terms are staggered; members receive \$35 per diem. Members must file with the Ethical Practices Board. For specific information contact the Minnesota Racing Commission, 11100 W. 78th St., Suite 201, Eden Prairie 55344; (612) 341-7555.

EDUCATION BOARD has 1 vacancy open for a citizen of the state at-large. The board sets statewide education policies for the Dept. of Education, and elementary and secondary schools and vocational technical institutes. Members are appointed by the Governor and confirmed by the Senate. Members must file with the Ethical Practices Board. Monthly meetings; members receive \$35 per diem plus expenses. For specific information contact the Education Board, 712 Capitol Square Bldg., St. Paul 55101; (612) 296-2358.

Department of Transportation

Uniform Traffic Control Devices Manual Order No. 71787

WHEREAS, the United States Department of Transportation, Federal Highway Administration, has published a Manual on Uniform Traffic Control Devices for Streets and Highways, 1978 edition, with amendments thereto entitled Revisions 1, 2, 3, and 4 (hereinafter referred to as the "manual"), and

WHEREAS, the Manual has been approved by the Federal Highway Administrator as the National Standard for all highways open to public travel in accordance with Title 23, U.S.C. §§ 109(d), 315 and 402(a), and 49 C.F.R. § 1.48, and

WHEREAS, the Minnesota Department of Transportation has prepared amendments and addenda to the Manual to make its provisions consistent with Minnesota Statutes and departmental procedures entitled the Minnesota Supplement, and Appendixes A and B.

NOW, THEREFORE, pursuant to authority vested in my office and as provided in Minnesota Statutes § 169.06, subd. 1 (1984), I do hereby adopt and prescribe the following as the 1986 Minnesota Manual on Uniform Traffic Control Devices (abbreviated as "1986 MMUTCD"):

1. United States, Department of Transportation, Federal Highway Administration, Manual on Uniform Traffic Control Devices for Streets and Highways (Washington, D.C.: Government Printing Office, 1978); and amendments thereto entitled Revision 1 (dated December, 1979), Revision 2 (dated December, 1983), Revision 3 (dated September, 1984), and Revision 4 (dated March, 1986).

2. Minnesota Supplement, Table of Contents, Introduction, Supplemental Sheet Pages, as follows (changes and additions are italicized):

Section	Page	Section	Page
1A-3	S-1A-2b	Fig. 2-7b	S-2D-16b
<u>1A-6</u>	<u>S-1A-4b</u>	2D-49	S-2D-32b
1A-7	S-1A-6b	<u>2E-41</u>	<u>S-2E-22b</u>
2A-9	S-2A-4a	<u>2F-36.05</u>	S-2F-40b
2A-15	S-2A-6b	3A-6	S-3A-2b
Fig. 2-3b	S-2A-12a	3B-4	S-3B-8a
2B-10.1	S-2B-6b	3B-5	S-3B-8a
2B-14	S-2B-8a	<u>3B-20</u>	<u>S-3B-26a</u>
2B-14.1	S-2B-8b		<u>S-3B-26b</u>

Section	Page	Section	Page
2B-17	S-2B-12a	<u>4A-1</u>	<u>S-4A-0a</u>
2B-17.1	S-2B-12b	4B-12.1	S-4B-12a
2B-29	S-2B-22b		S-4B-12b
2B-29.1	S-2B-22b	4C-2	S-4C-2b
2B-31	S-2B-24a	4C-10	<u>S-4C-8a</u>
2B-34	S-2B-28a	4E-1	S-4E-0b
2B-37	S-2B-30a	4E-8	S-4E-4a
2B-37.1	2B-32a		S-4E-4b
2B-39.1	S-2B-32b	4E-9	S-4E-4b
2B-41.1	S-2B-34a	4E-10	S-4E-4b
2B-41.1	S-2B-34b		<u>S-4E-6a</u>
2C-21	S-2C-10b	4E-12	S-4E-6b
2C-22	S-2C-10b	4E-22	S-4E-12a
2C-31	S-2C-16a	5B-1	S-5A-2b
2C-32	S-2C-16b	6A-5	S-6A-2b
2C-39	S-2C-20b	6B-3	S-6B-2a
2C-41.1	S-2C-22a	Fig. 6-1	S-6B-2b
2C-41.2	S-2C-22a	<u>6B-4</u>	<u>S-6B-4a</u>
2C-41.3	S-2C-22b	<u>6B-4</u>	<u>S-6B-10a</u>
2D-5	S-2D-2a	6B-20	S-6B-20a
2D-6	S-2D-2a	6B-22	S-6B-22b
2D-11	S-2D-6a	Fig. 6-13b	S-6B-22b
2D-12	S-2D-6b	6F-2	S-6E-6b
6F-3	S-6F-2a	9A-3	S-9A-2a
6F-4	S-6F-2a	9A-8	S-9A-2b
7B-12	S-7B-4a	9B-8	S-9B-4a
8B-3.1	S-8B-2b	Fig. 9-5a	S-9C-2b
8B-6	S-8B-6a	9C-4	S-9C-4b

The following Supplemental Sheet Pages adopted earlier (4/15/8j6) are deleted by this order:

Section	Page
General Contents	i
Table of Contents	iii
	iv
	v
	vi
	viii
2F-37	S-2F-40b
3B-17	S-3B-24b
4C-10	S-4C-6b
4E-10	S-4E-4b
	S-4E-6a

3. State of Minnesota, Department of Transportation, Appendix A—Warrants, Standards and Guidelines for Traffic Control Devices used at Senior Citizen and Handicapped Pedestrian Crossings, dated August, 1983.

OFFICIAL NOTICES

4. State of Minnesota, Department of Transportation, Appendix B—Traffic Control for Short Term Street or Highway Work Zones (dated September, 1985). Incorporated by reference, herein, is Commissioner's Order No. 70797, dated December 20, 1985 as it pertains to the implementation of Appendix B.

This Order supersedes Order No. 70898, dated April 15, 1986, which adopted and prescribed the 1986 Minnesota Manual on Uniform Traffic Control Devices for Streets and Highways; and which also included therein the second edition of Appendix B, entitled Traffic Controls for Temporary Lane Closures, dated September, 1985.

Dated at St. Paul, Minnesota this 19th day of December, 1986.

Leonard W. Levine
Commissioner of Transportation

STATE CONTRACTS

Pursuant to the Provisions of Minn. Stat. § 15.0412, subd. 6, an agency must make reasonable effort to publicize the availability of any services contract or professional and technical services contract which has an estimated cost of over \$2,000.

Department of Administration procedures require that notice of any consultant services contract or professional and technical services contract which has an estimated cost of over \$10,000 be printed in the *State Register*. These procedures also require that the following information be included in the notice: name of contact person, agency name and address, description of project and tasks, cost estimate, and final submission date of completed contract proposal. Certain quasi-state agencies are exempted from some of the provisions of this statute.

Commodities contracts with an estimated value of \$5,000 or more are listed under the Procurement Division, Department of Administration. All bids are open for 7-10 days before bidding deadline. For bid specifics, time lines, and other general information, contact the appropriate buyers by calling 296-6152. If the appropriate buyer is not available, contact Harvey Leach or Barbara Jolly at 296-3779.

Department of Administration: Procurement Division

Contracts and Requisitions Open for Bid

Call 296-6152 for Referral to Specific Buyers.

Commodity for Bid	Bid Closing Date at 2 pm	Department or Division	Delivery Point	Requisition #
Ammunition	Jan. 5, 1987	Public Safety	St. Paul	07-500-39607 etc.
Cardboard Trays	Jan. 5, 1987	Natural Resources	Hibbing	29-000-45366
VHS System	Jan. 5, 1987	State University	Bemidji	26-070-12168
Wood Fuel Chips	Jan. 5, 1987	Regional Treatment Ctr.	Moose Lake	55-103-03849
Enhancement	Jan. 5, 1987	Public Safety	St. Paul	07-200-41707
Mailroom Equipment	Jan. 6, 1987	Dept. of Revenue	St. Paul	67-450-02519
Video Monitors	Jan. 6, 1987	Transportation	St. Paul	79-000-72487
Aggregates	Jan. 6, 1987	MN/DOT	Duluth	79-100A
Aerator Pumps	Jan. 6, 1987	DNR	Various	29-000-45307 etc.
Remanufacturing Diesel Engines	Jan. 6, 1987	Various	Various	Price-Contract
Termgraphic Spirit Masters	Jan. 7, 1987	Central Stores	St. Paul	Price-Contract
Janitorial Service	Jan. 7, 1987	Public Safety	St. Paul	07-700-36749
Rubbish Disposal	Jan. 7, 1987	Vets Home	Minneapolis	75-200-00288
Lease Purchase of copiers	Jan. 7, 1987	Community College	Virginia	27-150-49512
IBM Equipment	Jan. 7, 1987	Public Empl. Ret. Assn.	St. Paul	63-000-71361
Paint & Related Materials	Jan. 8, 1987	Various State Agencies	Various	Price-Contract
Paper (Food & Beverage) Containers, Plastic Tableware & related items	Jan. 8, 1987	Various	Various	Price-Contract
Microfilm Readers	Jan. 8, 1987	State University	Bemidji	26-070-11806
Special Punched-Continuous Tag	Jan. 8, 1987	Jobs & Training	St. Paul	21-200-14627
Roofing Panels	Jan. 8, 1987	Transportation	Various	79-000-73521
Lumber	Jan. 8, 1987	Correctional Facility	St. Cloud	78-830-08477

<u>Commodity for Bid</u>	<u>Bid Closing Date at 2 pm</u>	<u>Department or Division</u>	<u>Delivery Point</u>	<u>Requisition #</u>
Copiers Rental	Jan. 9, 1987	Transportation	Duluth	79-100-03692
Purchase of Copier	Jan. 9, 1987	State University	Bemidji	26-070-11815
Ceiling Tile	Jan. 9, 1987	Regional Treatment Center	Willmar	55-106-06451
Furnish & Install Metal Doors	Jan. 9, 1987	Academy for the Deaf	Faribault	37-001-70438
Explosive Device	Jan. 9, 1987	Natural Resources	St. Paul	29-008-40778
Complete Line of Brushes, Brooms, Mops, etc.	Jan. 9, 1987	Various	Various	Price Contract
Detection Systems	Jan. 9, 1987	Oak Terrace Nursing Home	Minnetonka	55-520-03831

Department of Administration Energy Conservation Division

Request for Proposals for Purchase and Transportation of Natural Gas to Certain State Institutions

The Department of Administration is seeking proposals from qualified brokers or firms for the purchase and transportation of natural gas to each of the following institutions through the existing gas meters.

- 1) Faribault Regional Treatment Center, Faribault
- 2) State Academy for the Deaf, Faribault
- 3) Minnesota Correctional Facility, Red Wing
- 4) Winona State University, Winona
- 5) Minnesota Zoological Gardens, Apple Valley
- 6) Mankato State University, Mankato
- 7) Minnesota Veterans Home, Minneapolis
- 8) Minnesota Veterans Home, Hastings
- 9) Oak Terrace Nursing Home, Minnetonka

Firms who wish to be considered for furnishing natural gas to the institutions must submit a proposal stating wellhead gas price plus transportation cost to each institution and length of contract period. Proposals must be submitted by 4:00 p.m., January 16, 1987 to:

Donald T. Johnson, (612) 296-8204
 Department of Administration
 Energy Conservation Division
 Suite 110 Park Professional Building
 555 Park Street
 St. Paul, MN 55103

Iron Range Resources & Rehabilitation Board

Request for Proposals to Develop and Implement Comprehensive Agency Marketing Strategies

The Iron Range Resources and Rehabilitation Board seeks proposals from multi-disciplined consultants to assist in the development and implementation of comprehensive agency marketing strategies supporting the department's various projects, programs, and facilities.

STATE CONTRACTS

Project Tasks

- A. Development of a comprehensive agency marketing plan by June 30, 1987.
- B. Implementation of this plan through appropriate marketing communications tools including advertising, direct marketing, personal selling, packaging and design, literature, and promotion targeted to individuals, groups, business, and other corporate customers.
- C. Accomplishment of above within IRRRB approved budgets and timetables.
- D. Establishment of mutually approved evaluative procedures which measurable results in terms of revenue, attendance, response, and impact through before-and-after research.

Length and Cost of Contract

It is anticipated that the contract shall be awarded on or near February 15, 1987. The contract will extend through June 30, 1988, with two one-year options to extend until June 30, 1990, subject to satisfactory performance and availability of funds. Costs for the contract for all services and expenses, both direct and indirect, shall not exceed the following amounts for the periods specified:

Contract Award—June 30, 1987 \$150,000.00
July 1, 1987—June 30, 1987 \$500,000.00

(2) One-year extension options estimated at \$500,000.00 per year.

Submission of Proposals

Completed proposals should be mailed or delivered to:

Iron Range Resources and Rehabilitation Board
Highway #53 South, P.O. Box 441
Eveleth, MN 55734
(218) 744-2993

Proposals responding to the RFP must be received by 4:30 P.M., Monday, January 26, 1987.

Late proposals will not be accepted. Please provide an original and seven copies. Each copy of the proposal must have an original signature of an authorized member of the responding firm, sealed in mailing envelopes or packages with the respondent's name and address clearly written on the outside. Such envelopes or packages should be stamped in bold letters, **IRRRB MARKETING PROPOSAL—DO NOT OPEN**.

The IRRRB shall not be responsible for any costs incurred in responding to this RFP, and IRRRB shall retain all proposals submitted.

Statutory Proposal Requirements

A. **AFFIRMATIVE ACTION**—In accordance with the provisions of Minnesota Statute § 363.073, for state contracts in excess of \$50,000.00, all responders having more than 20 full-time employees at any time during the previous 12 months must have a certificate of compliance issued by the Commissioner of Human Rights before a proposal may be accepted. The proposal will not be accepted unless it includes one of the following:

1. A copy of the firm's current certificate issued by the Commissioner of Human Rights.
2. A statement certifying that the firm has a current certificate of compliance issued by the Commissioner of Human Rights.
3. A statement certifying that the firm has not had more than 20 full-time employees in Minnesota at any time during the previous 12 months.

Any questions concerning a Certificate of Compliance may be referred to the Contract Compliance Unit of the Minnesota Department of Human Rights at (612) 296-5663.

B. **WORKER'S COMPENSATION**—In accordance with the provisions of Minnesota Statutes, 1981 Supplement, Section 176.182, the IRRRB will affirm that the agency has provided acceptable evidence of compliance with the workers' compensation insurance coverage requirement of Minnesota Statutes, 1981 Supplement, Section 176.181, Subdivision 2.

Tentative Proposal/Contract Timelines

Publication in *State Register*: Monday, January 5, 1987.

Response Period: Tuesday, January 6, 1987—4:30 P.M., Monday, January 26, 1987.

Tentative Respondent Interviews: February 2-6, 1987.

Anticipated Date of Contract Award: On or near February 15, 1987.

Term of Contract: Approximately March 1, 1987—June 30, 1988.

Cancellation of Solicitation

This request for proposal does not obligate the IRRRB to complete the project, and IRRRB reserves the right to cancel the solicitation if it is considered to be in its best interest.

Department of Natural Resources**Request for Proposals for a Survey of the Knowledge and Attitudes of Minnesota Anglers**

The Department of Natural Resources is seeking proposals from qualified firms or individuals to conduct a survey of Minnesota anglers. The information will be used by the department's Division of Fish and Wildlife to better understand Minnesota anglers' knowledge of modern fish management techniques, attitudes towards alternative management approaches and sportfishing product definition and preference. The results of the survey will be used to identify the sportfishing products desired by anglers and possible conflicting demands; to aid in forming management priorities which are understood and accepted by both resource managers and the concerned public; and to formulate public education efforts designed to improve angler understanding of modern fisheries management.

The contractor will be required to develop a sampling plan, including a section covering sample size and sampling methods; to write a survey questionnaire; to gather data using the survey; to conduct a check of the effects of nonresponse bias; to analyze the results of the primary data collected and the nonresponse bias check and report the analysis in written form; to prepare complete documentation of the data collection methods and process; to prepare automated data files containing the collected data; to prepare a data analysis program using the Statistical Package for the Social Sciences (SPSS); to provide DNR with a clean copy of the automated data and the SPSS analysis program, compatible with the University of Minnesota's Cyber computer system; and to prepare complete documentation of the automated data files and the data elements in each file.

The major objective of the survey is to describe the fish management knowledge, the desires, and the fish management attitudes of Minnesota anglers. The secondary objectives are to describe the major objective:

1. for the entire sample;
2. by DNR management region of respondent residence, and nonresident status;
3. for Lake Superior anglers;
4. by the degree of dedication of the angler;
5. by the type of product the angler seeks; and

6. in any other way the contractor feels will lead to improvements in management's understanding of the market, and the market's understanding of fisheries management.

Interested parties may request a detailed Request for Proposals by calling or writing to:

William H. Becker
Supervisor, Researcher Data Systems Unit
MN/DNR Office of Planning
500 Lafayette Rd.
St. Paul, Minnesota 55155-4010
(612) 296-3093

Proposals are due in Mr. Becker's office no later than 4:30 pm sixty (60) days following the date of publication of this Request in the *State Register*.

The department estimated that the cost of this project should not exceed \$30,000 (thirty thousand dollars).

SUPREME COURT DECISIONS**Decisions Filed Friday 26 December 1986****Compiled by Wayne O. Tschimperle, Clerk****CX-85-719 State of Minnesota, Appellant v. James A. Ford. Court of Appeals.**

Defendant's acts as a public school teacher and administrator in giving favors forbidden by school rules to minor female students and obtaining from them consensual sexual contact were acts in excess of his lawful authority or which he knew he was forbidden by

SUPREME COURT DECISIONS

law to do in his official capacity within the meaning of Minn. Stat. § 609.43(2) (1984). The trial court did not err in denying the motion to dismiss the complaint for lack of probable cause.

The trial court did not err in denying defendant's motion to withdraw his plea of guilty.

The decision of the court of appeals is reversed; the order of the trial court is affirmed; the judgment of conviction is reinstated. Wahl, J.

CO-85-1863 Michael C. Tibbetts v. Leech Lake Reservation Business Committee, (uninsured), Relator, Minnesota Department of Human Services, intervenor, State Treasurer, Custodian of the Special Compensation Fund. Workers' Compensation Court of Appeals.

The governing body of the Leech Lake Band of the Chippewa Indian Tribe may assert the defense of sovereign immunity in a workers' compensation action commenced by a member of the Band claimed to have been injured on reservation lands while in the employment of the Band.

The sovereign immunity of the Chippewa Indian Tribe and its constituent Band was not waived by Congress by enactment of Public Law 280 (codified as 18 U.S.C. § 1162, 28 U.S.C. § 1360) or 40 U.S.C. § 290.

Enactment of ordinances waiving tribal and band sovereign immunity in workers' compensation actions when the Tribe or Band "carries workers, compensation insurance coverage," is ineffective to constitute a waiver of the tribe or the band sovereign immunity if, at the time the employee's claim arose, neither the Tribe nor Band carried workers' compensation insurance.

Because Special Compensation Fund's liability for payment of workers' compensation benefits is derivative, if the employer is immune from liability, the Special Fund likewise is not liable.

Denial of workers' compensation benefit payments from the Special Compensation Fund to an Indian tribal member injured on Indian Reservation lands in the course of employment by an Indian Band, who successfully asserted sovereign immunity, does not violate the equal protection clauses of the Federal and State Constitutions.

Reversed. Kelley, J.

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Each year over \$1 billion in state contracts are awarded. About \$20 million in state contracts per week are advertised in the **State Register**, the most complete listing of state contracts available. Just a **sampling** of contracts include:

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- tools and scientific equipment
- technical services
- computer software
- computers
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Come blizzard, tornado, flood or earthquake — you'll find important and valuable information for your business you won't find anywhere else. Every Monday, 52 times a year, the **State Register** not only publishes the most thorough listing of state contracts but also the only source of state agency rulemaking activity, plus important tax court decisions, official notices, executive orders of the governor, supreme court decisions, and a calendar of scheduled cases to which you can add your "friend of the court" questions.

Could you hire someone to bring all this information to you and your company for so little money? Let us bring you the business of state government. Subscribe to the **State Register** today, or call 296-4273 for more information.

An annual subscription is \$130 and a 13-week trial subscription is \$40. MasterCard/VISA orders can be taken over the phone, otherwise prepayment is required. Send your orders to the Minnesota Documents Division, 117 University Avenue, St. Paul, MN 55155. Call (612) 297-3000, or toll-free in Minnesota 1-800-652-9747 and ask for "DOCUMENTS."

Publication editors: As a public service, please reprint this ad in your publication as is, reduced, enlarged, or redesigned to suit your format. Thank you.

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The Minnesota Documents Division has a variety of mailing lists of licensed professionals and permit holders that will enable you to focus your marketing efforts on a targeted audience.

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NEW Human Services Laws and Rules

Human Services Laws 1986

An extract from the statutes. Includes legislative amendments and additions from the most recent session. Code No. 2-56. \$20.00.

Human Services Rules

as in effect July 7, 1986

Rules governing assistance programs, eligibility grant amounts, AFDC and residence requirements. MN Rules Chapter 9500-9580. Code No. 3-95. \$24.95.

3 ring binder. 2" capacity. 1 required for each of above listed publications. Code No. 10-21. \$4.25.



TO ORDER: Please include 6% sales tax and \$1.50 postage and handling. Prepayment required. Send to Minnesota Documents Division, 117 University Avenue, St. Paul, MN 55155. (612) 297-3000. VISA/MasterCard orders accepted. Please include daytime phone.

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1986 NOTARY PUBLIC LAWS

Statutory requirements regarding the oath of office, necessary bond, and taking of depositions. Includes an explanation of the term of office and procedures for removal from office. Code No. 2-13. \$4.00.



JANE SMITH
NOTARY PUBLIC-MINNESOTA
RAMSEY COUNTY

MY COMMISSION EXPIRES JANUARY 1, 1987

U. S. SMALL BUSINESS ADMINISTRATION PUBLICATIONS:

Insurance and Risk Management for Small Business	Code No. 16-50. \$5.00.
Small Business Finance	Code No. 16-42. \$4.50.
Starting and Managing a Small Business of Your Own	Code No. 16-40. \$4.75.

TO ORDER: Please include 6% sales tax and \$1.50 postage and handling. Prepayment required. Send to Minnesota Documents Division, 117 University Avenue, St. Paul, MN 55155. (612) 297-3000. VISA/MasterCard orders accepted. Please include daytime phone.

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The Minnesota Documents Division offers several subscription services of activities, awards, decisions and special bulletins of various Minnesota state agencies.

Use the handy order form on the back of the *State Register* to order. Simply fill in the subscription code number, include your name, address and zip and your check made out to the State of Minnesota (PREPAYMENT IS REQUIRED) and send it in. We'll start your subscription as soon as we receive your order, or whenever you like.

Subscription	Cost	Code Number
Career Opportunity Bulletin, 1 year	\$ 20.00	90-3
Career Opportunity Bulletin, 6 mos.	\$ 15.00	90-4
Human Services Informational and Instructional Bulletin	\$100.00	90-6
Human Services Bulletin List	\$ 20.00	90-7
L.R.L. (Legislative Reference Library) Checklist	\$ 75.00	90-8

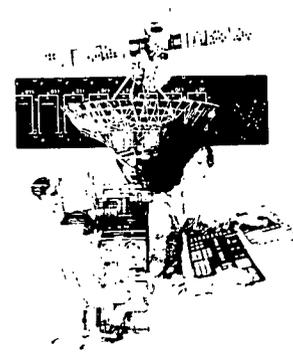
Subscription	Cost	Code Number
PERB (Public Employee Relations Board) Awards	\$260.00	90-9
PERB (Public Employee Relations Board) Decisions	\$ 60.00	90-10
Minnesota Statutes Subscription Includes the complete 10-volume set of Minnesota Statutes 1986 and the 1987 Supplement	\$135.00	18-8
State Register, 1 year	\$130.00	90-1
State Register, 3 mos. trial	\$ 40.00	90-2
Can be converted to a full subscription for \$90 at end of trial		
Tax Court/Property Decisions	\$210.00	90-11
Workers Compensation Decisions, unpublished subs run Jan-Dec; can be prorated	\$320.00	90-12
Workers Compensation Decisions Vol. 38 (limited quantity)	\$ 89.50	
Vol. 39.	\$ 95.00	90-13

TO ORDER: Prepayment required to start your subscription. Send to Minnesota Documents Division, 117 University Avenue, St. Paul, MN 55155. (612) 297-3000 VISA MasterCard orders accepted. Please include daytime phone.

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Minnesota Manufacturers' Directory 1986-87

NEW: In the directory this year are two titles (where applicable) Chief Engineer and Data Processing Manager.



UPDATED: Name, address, phone number, staff size, sales volume, market area, year of establishment, type of firm, C.E.O., Sales or Marketing Manager, Purchasing Manager and four major manufactured products. Code #40-2, \$68.50.

REVISED: There are more than 7,000 changes to the 7,068 entries



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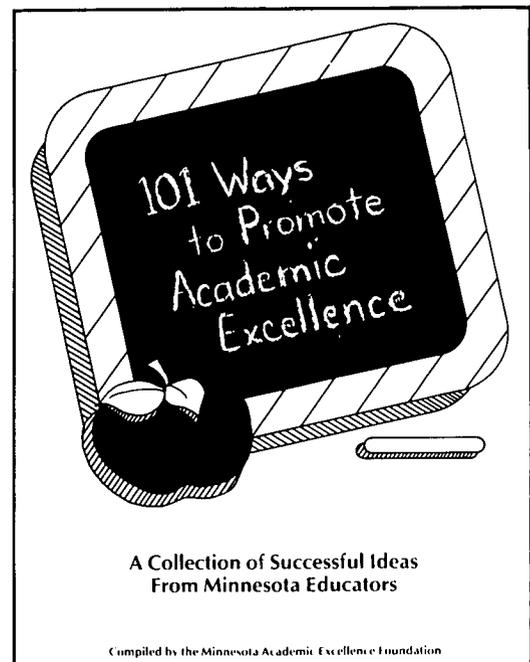
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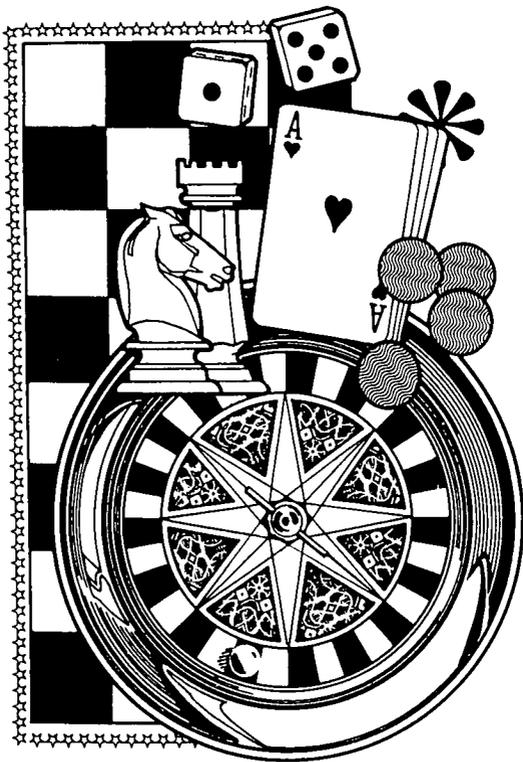
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